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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

LEGAL DEPARTMENT

RANDALL D. FISHER General Counsel

JOHN B. GLICKSMAN ATHENA JAMESSON

February 10, 1993

VIA FEDERAL EXPRESS -- AM DELIVERY

Ms. Donna R. Searcy, Secretary Federal Communications Commission 1919 M Street, N.W. Washington, DC 20554

Re:

MM Docket Number 92-266

Dear Ms. Searcy:

I am transmitting herewith, on behalf of Adelphia Communications Corporation ("Adelphia"), an original and nine copies of Adelphia's Reply Comments in the above-referenced proceeding.

I have also enclosed an additional copy of Adelphia's Reply Comments, which I request that you date-stamp and return to me in the enclosed self-addressed stamped envelope.

Should there be any questions regarding the foregoing, please contact me directly.

Respectfully submitted,

Athena Jamesson

Assistant General Counsel

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BEFORE THE FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, DC 20554

In the Matter of Implementation)	
of Section 3 of the Cable)	MM Docket
Television Consumer Protection)	No. 92-266
and Competition Act of 1992)	
)	
Rate Regulation)	

REPLY COMMENTS OF ADELPHIA COMMUNICATIONS CORPORATION

Adelphia Communications Corporation ("Adelphia"), by its counsel, hereby replies and makes clarifications to the comments filed by the New York State Commission on Cable Television ("NYSCCT") on the Commission's Notice of Proposed Rule Making ("NPRM") issued in the above-referenced matter.

The NYSCCT made comments dated January 26, 1993, MM Docket No. 92-266, to the Commission regarding the adoption and implementation of sections of the Cable Television Consumer Protection and Competition Act of 1992 ("Cable Act of 1992") which pertain to Rate Regulation.

Adelphia here neither agrees nor disagrees with the substance of the comments made by the NYSCCT and takes no position on the arguments or analysis proposed by the NYSCCT. Adelphia, however, hereby wishes to identify and correct certain errors in Exhibit A to the NYSCCT's comments. Exhibit A attempts to list rates and channel composition of cable television systems operated by Adelphia. As will be detailed below, the NYSCCT's characterization of Adelphia's Basic Cable Service, rates charged and channel composition of the service offered was wrong.

According to the Cable Communications Policy Act of 1984 (hereinafter "1984 Cable Act"), the lowest level of service which contains local broadcast signals is termed "basic cable service" (hereinafter "Basic Service" or "Basic Cable Service"). That distinction in the 1984 Cable Act was not modified substantively by the Cable Act of 1992; the FCC only added franchise-required Public, Educational, and Governmental Access channels to the local broadcast

channels on any tier defined as Basic Service. Adelphia offers Basic Service as well as additional services in all its systems.

The NYSCCT did not properly note the price and number of channels for Basic Service in the great majority of Adelphia's ten systems cited in Exhibit A. Although some of the rates are correctly matched with the numbers of channels provided, the prices mentioned include one or two additional tiers of service. (These tiers, we might note, are not and have never been subject to local regulation regardless of the definition of effective competition). In some cases the level noted by the NYSCCT is Basic, in some the level includes Basic and one satellite service, and still others listed include basic and two satellite tiers. Thus the NYSCCT's labeling on Exhibit A as "BASIC 89" and "BASIC 92" certain levels of service consisting of certain number of channels contain mischaracterizations for Adelphia systems, distorting and overstating the cost of basic cable service as provided by Adelphia in New York state.

Below is a summary of the errors in the NYSCCT Exhibit A:

- 1. <u>Aurora</u>. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$21.95 and the number of channels as 44. The correct rate for Basic is \$8.00 for 13 channels. The NYSCCT's rate is correct for service including Basic and two Satellite Services. The 1989 rates and channels listed are incorrect for Basic. The NYSCCT listed \$9.45 for 21 channels. The correct rate for Basic in 1989 was \$8.00 for 14 channels. The rates listed included Basic and one tier. The 1984 rate and channels for Basic was \$5.95 for 12 channels throughout the Aurora system.
- 2. <u>Chautauqua</u>. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$22.50 and the number of channels as 41. The correct rate for Basic is \$13.95 for 18 channels. The NYSCCT's rate is correct for service including Basic and two Satellite Services, but the number of channels which correspond to this service would be 47, not 41. The 1989 rate listed is correct, but the number of channels listed is incorrect for Basic. The NYSCCT listed \$9.95 for 12 channels. The correct rate for Basic in 1989 was \$9.95 for 13 channels. The rates listed by the NYSCCT for 1984 appear to be correct.
- 3. Grand Island. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$22.95 and the number of channels as 29. The correct rate for Basic is \$8.00 for 12 channels. The NYSCCT's rate is correct for service including Basic and one Satellite Service, but the number of channels which correspond to this service would be 33, not 29. The NYSCCT represents that Adelphia operated this system in 1989 and 1984. This is incorrect. Adelphia did not operate the system in 1989 or 1984, so it cannot comment on the accuracy of the rates or channels listed by the NYSCCT.
- 4. <u>Harbor Vue</u>. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$22.50 and the number of channels as 42. The correct rate for Basic is \$7.00 for 18 channels. The NYSCCT's rate is correct for service including Basic and two Satellite Services, but the number of channels which correspond to this service would be 49, not

- 42. The 1989 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$11.95 and the number of channels as 20. The correct rate for Basic is \$7.00 for 10 channels. The NYSCCT's rate is correct for service including Basic and two tiers. The rates listed by the NYSCCT for 1984 appear to be correct, except that the rate was \$8.00 for 12 channels in all areas of the system.
- 5. <u>Hoosick</u>. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$23.45 and the number of channels as 33. The correct rate for Basic is \$9.95 for 9 channels. The NYSCCT's rate is correct for service including Basic and two Satellite Services. The 1989 rates and channels listed is incorrect for Basic. The NYSCCT listed \$12.45 for 20 channels in Hoosick Falls and \$9.95 for 20 channels in Hoosick. The correct rate for Basic for both areas in 1989 was \$7.00 for 9 channels. There was a rate of \$12.45 for 22 channels which included Basic and one tier. The 1984 rate listed is correct, but the number of channels listed is incorrect for Basic. The NYSCCT listed \$6.50 for 8 channels. The correct rate for Basic in 1984 was \$6.50 for 10 channels.
- 6. <u>International</u>. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$21.25 and the number of channels as 41. The correct rate for Basic is \$8.00 for 11 channels. The NYSCCT's rate is correct for service including Basic and one Satellite Service in the rebuild areas of the system. This includes Boston, part of Cheektowaga, Eden, Lackawanna and West Seneca. The 1992 rate for a similar type of service including Basic and one Satellite Service in all other areas which are not yet rebuilt is \$20.95 for 31 channels. The 1989 rate listed as \$12.50 for 21 channels is incorrect for Basic. The correct rate for Basic in 1989 was \$8.00 for 11 channels. In 1989 there was a rate of \$13.50 for 22 channels which included Basic and one tier. The NYSCCT represents that Adelphia operated this system in 1984. This is incorrect. Adelphia did not operate the system in 1984, so it cannot comment on the accuracy of the rates or channels listed by the NYSCCT.
- 7. Niagara. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$21.50 and the number of channels as 36. The correct rate for Basic is \$8.00 for 13 channels. The correct rate for service including Basic and two Satellite Services is \$23.50 for 46 channels. The 1989 rates and channels listed by NYSCCT are incorrect for Basic. The NYSCCT listed \$10.95 for 13 channels. The correct rate for Basic in 1989 was \$8.00 for 12 channels. The rate of \$10.95 listed by NYSCCT included Basic and one tier in non rebuild areas, but the number of channels was 27, not 13. The 1984 rate and channels listed for Basic appear to be correct.
- 8. Resort. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$19.95 and the number of channels as 21. The correct rate for Basic is \$9.95 for 9 channels. The NYSCCT's rate is correct for service including Basic and one Satellite Service, but the number of channels corresponding to this level of service would be 24. A rate of \$24.95 applies to service including Basic and two Satellite Services with a total number of channels of 29. The 1989 rates and channels listed by the NYSCCT appear to be correct, except that Basic was offered in Franklin as well for \$12.95 for 12 channels. The NYSCCT represents

that Adelphia operated this system in 1984. This is incorrect. Adelphia did not operate the system in 1984, so it cannot comment on the accuracy of the rates or channels listed by the NYSCCT.

- 9. <u>Riverview</u>. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$14.00 and the number of channels as 36. The correct rate for Basic is \$8.00 for 11 channels. The NYSCCT's rate is correct for service including Basic and one Satellite Service, but the number of channels corresponding to this level of service would be 22. A rate of \$20.00 applies to service including Basic and two Satellite Services with a total number of channels of 33. The 1989 rate of \$9.00 for 12 channels listed by the NYSCCT is incorrect. The NYSCCT represents that Adelphia operated this system in 1984. This is incorrect. Adelphia did not operate the system in 1984, so it cannot comment on the accuracy of the rates or channels listed by the NYSCCT.
- 10. Syracuse. The 1992 rates and channels listed are incorrect for Basic. The NYSCCT gave the rate as \$22.95 and the number of channels as 32. The correct rate for Basic is \$9.95 for 11 channels. The NYSCCT's rate is correct for service including Basic and two Satellite Services, but the number of channels corresponding to this level of service is 33, not 32. The NYSCCT represents that Adelphia operated this system in 1989 and 1984. This is incorrect. Adelphia did not operate the system in 1989 or 1984, so it cannot comment on the accuracy of the rates or channels listed by the NYSCCT.

Accordingly, Adelphia submits the above factual information to the Commission.

Respectfully submitted,

ADELPHIA COMMUNICATIONS CORPORATION

Randall D. Fisher General Counsel Athena Jamesson

Assistant General Counsel

5 West Third Street Coudersport, PA 16915 (814)274-9830 February 10, 1993

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CERTIFICATE OF MAILING

I, Kathy J. Sturdevant, an employee in the office of Adelphia Communications

Corporation, hereby certify that on the 10th day of February, 1993, copies of the foregoing

Reply Comments pursuant to MM Docket Number 92-266 were sent to Ms. Donna R. Searcy,

Secretary, Federal Communications Commission, 1919 M Street, N.W., Washington, DC

20554, and John L. Grow, Counsel, New York State Commission on Cable Television, Corning

Tower Building, Empire State Plaza, Albany, NY 12223 by Federal Express Mail Services.

Kathy J. Sturdevant
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